

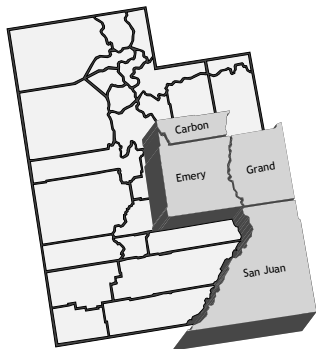
Workforce News



A quarterly publication of the Department of Workforce Services: issued June 2010

Southeast Utah: Carbon, Emery, Grand, San Juan

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Inside:

- **Carbon:** Employment still falling, but at a rate less than the state average.
- **Emery:** The unemployment rate drops as the economy expands over last summer.
- **Grand:** Job losses continue to push the unemployment rate higher.
- **San Juan:** Employment is still declining, but some manufacturing jobs are added.



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Employment, Wages, and Occupations in the Utilities Industry

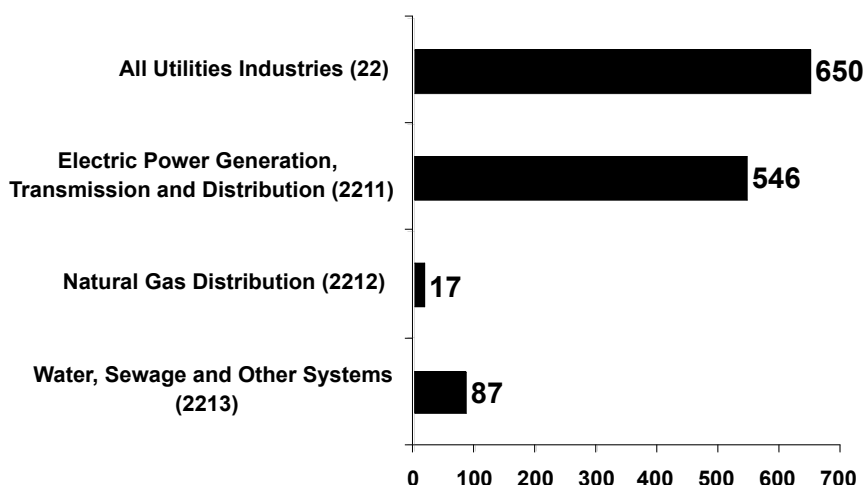
How different life would be without the services provided by the utilities industry. Reading a book in the evening would have to be done by candlelight. Washing up in the morning would have to be done in a tub of water filled from a stream as opposed to under a hot shower. Of course, there would be no home stereo, television, or Internet. But maybe the importance of the utilities industry would only be fully appreciated after

trudging through the snow on a cold winter's night to use an outhouse.

Electricity, heat, air-conditioning, tap water, and wastewater disposal are all supplied by the utilities industry. Most of us likely view these as among the most important services in our lives. Here we will look at employment, occupations, and wages in the utilities industry in southeastern Utah.

(continued)

Average Employment in the Utilities Industries for Southeastern Utah, 2009



Source: Utah Department of Workforce Services

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Employment, Wages, and Occupations (continued)

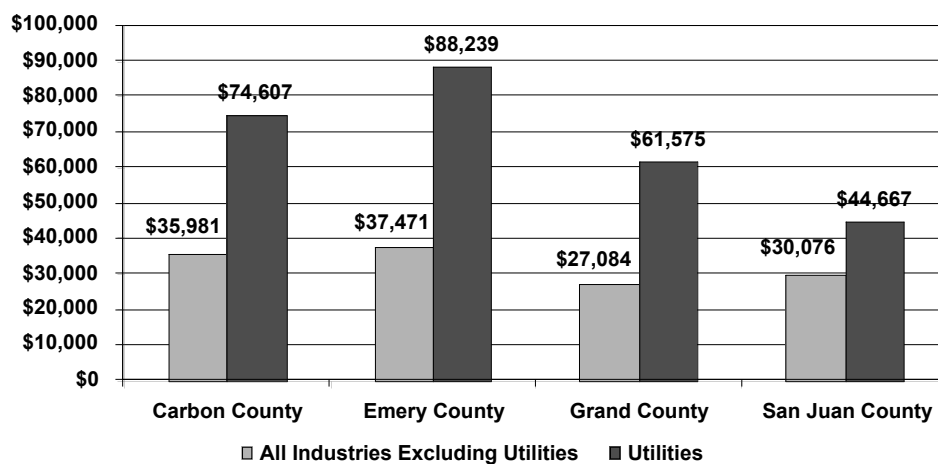
Utilities Industry Employment and Wages

The utilities industry represents a small but important sector of the economy. In 2009, a total of 4,140 jobs were in the utilities industry statewide, less than half of one percent of total employment. In the four southeastern counties, 650 workers were employed in the utilities industry in 2009, which makes up three percent of the region's workforce.

The utilities sector is composed of three distinct subsectors. The electric power generation, transmission, and distribution industry, as its name suggests, is involved with the production and supply of electricity. Although most of the electricity is produced by coal-fired power plants, this industry also includes firms that produce electricity by way of hydroelectric, natural gas, nuclear, geothermal, solar, and wind generators. The natural gas distribution industry centers upon the delivery of natural gas to businesses and households. The water, sewage, and other systems industry distributes tap water, treats wastewater, and supplies steam and air-conditioning.

The distribution of utilities workers among these three industries in the southeastern counties can be seen in the graph. Most utilities workers are in the electric power generation industry and they are concentrated primarily in Carbon and Emery coun-

Average Annual Wages in the Utilities Industries for Southeastern Utah, 2009



ties. However, all of the southeastern counties have workers involved in the distribution of electric power. Likewise, all four counties have workers in the water, sewage, and other systems industry, but only two counties have workers employed in the natural gas distribution industry.

In most of Utah's counties, the utilities industry pays the highest average wage of all the industries. For the southeastern counties, a comparison of the average annual wage in the utilities industry and the average annual wage in all other industries can be seen in the graph. Clearly, the average annual wage in utilities is much higher than the average annual wage for all of the other industries combined. When comparing individual industries within a county, the utilities industry pays the highest average wage in Carbon,

Emery, and Grand counties. In San Juan County, the mining and wholesale trade industries actually pay higher average wages than the utilities industry.

Occupations and Wages in the Utilities Industries

The utilities industry employs managers, accountants, customer service representatives, and a host of other occupations that can be found in just about all industries. For the United States, just over 40 percent of all employment in the utilities industry is classified as among the installation, maintenance, repair, and production occupations. The focus here will center on occupations in these categories because they are more directly associated with the actual production processes that are found in the utilities industry.

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Employment, Wages, and Occupations (continued)

Selected Occupations in the Utilities Industries

Occupations	Percent of Utilities Industry(U.S.)	Average Hourly Wage (Eastern Utah, 2008)	Training
Electrical power-line installers and repairers	9.74%	\$26.29	Long-term OJT (> 12 months)
Power plant operators	4.54%	\$27.62	Long-term OJT (> 12 months)
Control and valve installers and repairers, except mechanical door	3.34%	\$19.47	Moderate-term OJT (1-12 months)
Electrical and electronics repairers, powerhouse, substation, and relay	3.25%	\$30.07	Post-secondary vocational training
First-line supervisors/managers of mechanics, installers, and repairers	2.79%	\$26.32	Work experience in related occupation
Water and liquid waste treatment plant and system operators	2.22%	\$16.26	Long-term OJT (> 12 months)
First-line supervisors/managers of production and operating workers	1.98%	\$33.51	Work experience in related occupation
Maintenance and repair workers, general	1.89%	\$16.66	Long-term OJT (> 12 months)

Sources: Utah Department of Workforce Services and the Bureau of Labor Statistics

The eight largest installation, maintenance, repair, and production occupations, as a share of the industry's employment, were selected for the table. The occupational share of employment in the utilities industry is based on the staffing pattern for the United States, but it should provide a reasonable estimate of the percentages for Utah. The average hourly wage for all occupations in eastern Utah was \$17.19 in 2008. From the table we can see that water and liquid waste treatment plant workers and general maintenance and repair workers earn just less than the hourly average. The other six occupations have higher-than-average hourly wages and most of these are considerably higher than

the average. As for the training requirements, most occupations require moderate to long-term on-the-job training or work experience in a related occupation. Only one occupation, electrical and electronics repairers, requires post-secondary education.

The Outlook for Careers in Utilities

The number of jobs in the utilities industry is very closely related to the size of the population. We should expect that the rate of job growth in utilities would be roughly similar to the rate of population increase. However, the job growth rate in utilities is expected to be smaller than the population growth rate for two

reasons. First, economies of scale in power generation and natural gas distribution imply that large increases in output can be accomplished using relatively few additional workers. Second, as old power plants are replaced in the future, new technologies will allow the new power plants to operate at the same levels as before with even fewer workers. For these reasons, the Bureau of Labor Statistics (BLS) projects that employment will decline in the utilities industry over the next 10 years in the United States.

Given that utilities are projected to decline, most people might be tempted to ignore the possibility of a career in utilities and consider other occupations instead. Even though job growth is projected to be negative, the BLS believes there will still be excellent career opportunities in the future. While power generation and natural gas distribution are projected to decline, jobs in the water, sewage and other systems industry are projected to increase. Moreover, with the baby boomers reaching retirement age in the next couple of years, the need for replacement workers will be relatively high. With the introduction of new technologies in the utilities industries, workers will likely need more education or technical training. For those who are qualified, the utilities industries offer good careers with high wages. **WFN**

County News

Carbon County:

The recession finally caught up with Carbon County. Employment grew for the first half of 2009, but started declining in the second half of the year. In the fourth quarter of 2009, there were 733 fewer jobs than in the previous year—a 7.2-percent decline.

Most of the job losses were in the mining industry. Employment in mining grew very rapidly during 2008, presumably a consequence of rising coal prices. But when the price of coal dropped, so did employment in the industry. The mining industry had 370 fewer jobs in the fourth quarter of 2009 than the year before. Other industries that exhibited large job losses were retail trade (98), construction (90), professional, scientific and technical services (89), and manufacturing (86).

Taxable sales for the fourth quarter of 2009 were down by 27 percent. The total value of construction was \$20.8 million in 2009, which was 14 percent lower than in 2008. However, construction appears to be starting off strong with a total permitted value of \$8.1 million for the first two months of 2010.

Emery County:

It appears that Emery County took its lumps from the recession early and is now making a comeback. Employment declined through the second half of 2008 and the first half of 2009, but Emery County's economy seems to have bounced back in the last half of 2009.

Virtually all job growth has been in the construction industry, where fourth quarter employment is just over 41 percent higher than a year ago. Employment in mining was up just over 3 percent in the fourth quarter of 2009. The number of jobs in the service industries remained essentially the same this year as last.

Another positive sign is that taxable sales were up 4 percent in the last quarter of 2009. The unemployment rate for March was 7.3 percent, which puts it close to the state rate.

Grand County:

Overall, the affects of the recession have not been as severe in Grand County as in most other counties or the state as a whole. Total employment in the fourth quarter of 2009 was down 3.9 percent relative to the previous year, which is better than the 4.9-percent decline for the State of Utah during the same period.

There were 172 fewer jobs in the fourth quarter of 2009 than in the previous year. The two industries with the largest job losses were accommodations and food services (46) and retail trade (44), which is a reflection of the general decline in consumption expenditures stemming from the recession.

Grand County was one of only two counties in Utah to exhibit growth in total construction value from 2008 to 2009. However, total construction value is down 68 percent for the first two months of 2010 versus 2009. The seasonally adjusted unemployment rate in March crept up to 9.5 percent from the previous month.

San Juan County:

Similar to Grand County, San Juan County has experienced jobs losses from the recession, but they have not been as severe as the job losses for the State of Utah. The year-over job loss for San Juan County was 3.3 percent compared to 4.5 percent for the state in the fourth quarter of 2009. While the March unemployment rate of 12.6

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County News

percent would be considered very high in other counties, San Juan County has had a history of relatively high unemployment rates.

The goods-producing sector has been showing gains in employment over the second half of 2009, but these have been offset by losses in the service sector. Even though construction showed a loss of about 50 jobs in the fourth quarter of last year, mining grew by 81 jobs during that period. The biggest job losses in the service sector occurred in the professional and business services industry (74) and the accommodation and food services industry (64).

In the fourth quarter of 2009, taxable sales were down by only 2 percent, while they were down 4 percent for the state. On a positive note, total construction value was up 2.4 percent for the first two months of 2010 compared to a year before. **WFN**

What's Up?

"The Emery County Commission held a public hearing to take comments on the new **food bank building** the county is planning to build this year. The county has applied for a community block grant, which they received, of up to \$400,000. Jackie Butkovich, the director for food banks in the area, said the food bank has seen an increase in usage since the economic downturn. Last year the food bank saw between 55 and 60 people per month. This year that number has climbed to 105 a month. The new cases have stated their unemployment has run out and they are in need."

—Emery County Progress

"The mining industry in Grand County is slated to experience an upsurge if a proposal for a tar sands mining operation and possible plans for a **new potash mining** development become reality. The price of potash has increased from \$200 per ton in 2007 to \$700 per ton now, making recovery of potash from depths of around 6,000 feet more profitable. Del Fortner, a representative of the American Potash Company, touted the potential for economic diversification and said the industry would create "wealth for Grand County and its citizens."

—Moab Times-Independent

Want more county-level info:

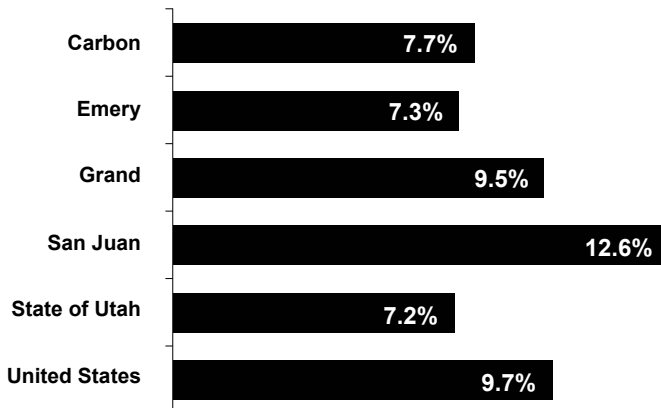
Get detailed county-level data and historical county data at:

<http://jobs.utah.gov/countyinfo>

When there, select which county you want to view, then find the *Demographic and Economic Profile* under Publications in the right-hand column.

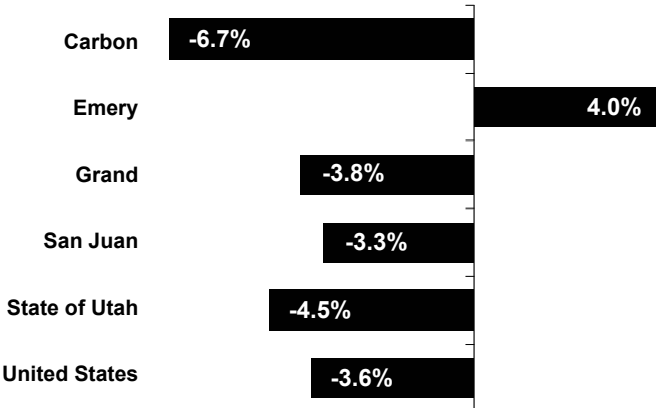
See a wealth of information at our Employer Resource Center Web page: <http://jobs.utah.gov/employer/resource>

**Seasonally Adjusted Unemployment Rates
March 2010**



Source: Utah Dept. of Workforce Services; U.S. Bureau of Labor Statistics.

**Percent Change in Nonfarm Jobs
December 2008 to December 2009**



Source: Utah Dept. of Workforce Services; U.S. Bureau of Labor Statistics.

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